

Lake commissioners set up county land bank

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Lake County commissioners took the first step Thursday to establish a county land bank to help deal with foreclosed and abandoned properties.

Commissioners passed a resolution to establish the Lake County Land Reutilization Corp. and county Treasurer John S. Crocker will now take the next step to officially incorporate the organization through the Ohio Secretary of State's Office, just like other businesses do.

County land banks are not county agencies, rather they are nonprofit entrepreneurial organizations that combine attributes of a government entity and a private enterprise.

Land banks have a mission to accumulate vacant and abandoned properties by various and versatile methods. Once accumulated, the property can be held by the county land bank, tax free, until the land can be put back to productive use.

Structures could be demolished if deemed necessary and used for green space, held on to for future development, given to communities to use as parks or sold to interested buyers including adjacent property owners.

A board of directors will be created and composed of the county treasurer, two commissioners, a member from the largest city, a township member and others chosen by agreement of treasurer and two commissioners.

Commissioner Daniel P. Troy said the foreclosure crisis that has hit the country hasn't escaped Lake County.

County figures show there were 1,788 foreclosures in 2010 and 1,596 in 2011.

"What this tool does is allows the county ... to basically start to deal with these various properties," Troy said. "I think this is a very important step the county is taking today."

Commissioner Robert E. Aufuldish said he understands the land bank's board will have to make a lot of difficult decisions. He

also personally knows people who have made difficult choices to leave their homes because they couldn't afford to stay.

"I talked with a woman in Willowick, she and her family are walking away from her home and moving in with her in-laws because she said she owes more than what her house is worth," Aufuldish said.

Commissioner Raymond E. Sines said it is unfortunate the county needs to take this step.

"But it is another tool that provides for some of the area to be cleaned up and fixed up," Sines said. "It's a good step forward and we've been working on this quite a while. It is timely and we need to move forward and this is a good direction."

Deputy Treasurer John Rogers has worked on the initiative for Crocker and Rogers has made several presentations within the county.

After the meeting, Rogers said a portion generated from delinquent property taxes would be utilized to fund the land bank.

When a property owner is late to pay taxes, a 10 percent penalty is charged on the amount due.

Then based on the penalty amount — not the principal — an additional 5 percent of that amount would be added to help fund the land bank, Rogers said.

A \$50,000 grant from the Cleveland Foundation will help start the land bank, plus another \$25,000 is poised to come from a 50/50 split of funding from another foundation and from delinquent tax fees collected by the Treasurer's Office, he said.

"My goal and I think Mr. Crocker's goal is the land bank is organized and up and running and doing what a land bank does sometime next year," he said.

